

PX 79

Message

From: [REDACTED]@ripple.com]
on behalf of [REDACTED]@ripple.com]
Sent: 9/29/2014 12:18:17 PM
To: [REDACTED] Chris Larsen [Chris Larsen <[REDACTED]@ripple.com>]; David Schwartz [David Schwartz <[REDACTED]@ripple.com>]
CC: [REDACTED]@ripple.com>]
Subject: Official Approval: Ripple Labs Code of Conduct
Attachments: Ripple - Email Board Consent (Code of Business Conduct) (1).docx; Ripple Labs Code of Conduct - Sept. 15, 2014 (2) (1).pdf

Dear Board Members,

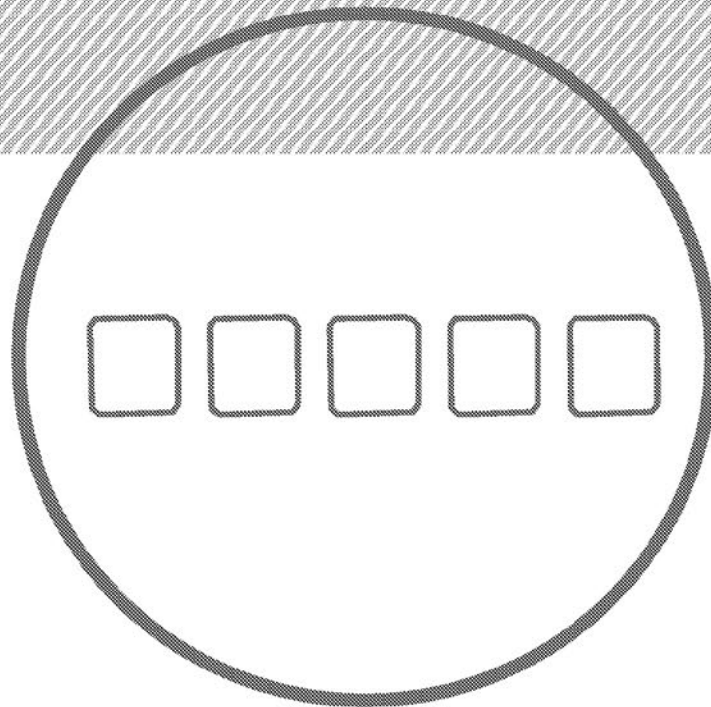
I am writing to ask you to officially approve our Ripple Labs Code of Conduct. The version I have attached to this email has been reviewed in two Board meetings as well as by all employees, and incorporates the comments and suggestions many of you have given us.

We feel a Code of Conduct plays an important role in establishing credibility with financial institutions, partners, regulators, and the public at large. The Code also speaks to ethical questions that Ripple employees and insiders may realistically face.

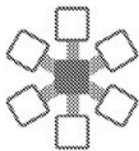
I have attached a board resolution to this email, along with the Code of Conduct itself. Please review the Code, and if it meets with your approval, please "reply all" by email: I APPROVE, along with your name. Your response is appreciated as consent is not effective until all directors give their electronic written consent.

Best regards,

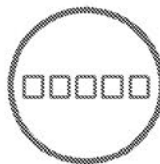
[REDACTED]
Compliance Analyst



Ripple Labs Code of Conduct: August 2014



Market Makers



Financial Institutions



Developers

I. The Statement of Values

WE HAVE FOUR PRIMARY VALUES THAT REPRESENT WHAT RIPPLE LABS INC. BELIEVES AS A TEAM AND FORM THE BASIS FOR EVERYTHING WE DO:

1. Openness

Ripple is an open-source protocol. We value transparency with each other and with the world.

2. Constructiveness

We're builders, not disruptors. The Ripple protocol provides the technology infrastructure onto which new payment systems can emerge and established payment systems, regulations, and institutions can migrate.

3. Inclusiveness

Ripple Labs does not discriminate, either in hiring and engineering practices. We build for the world, not just for ourselves.

4. Humility

Ripple Labs recognizes that developers and enterprises are the true innovators building and expanding the value web. Employees of Ripple Labs are not focused on who's right; rather, what's right.

II. The Code of Conduct

Introduction

The reputation and good name of Ripple Labs depend entirely upon the honesty and integrity of each employee and all those closely associated with the company.

This Code of Conduct applies in its entirety to all Ripple Labs employees. Certain provisions of the Code of Conduct appropriately extend beyond employees to cover the Board of Directors, contractors, founders, investors, and advisors ("Insiders").

It would be virtually impossible to cite examples of every type of activity that might give rise to a question of unethical conduct. Therefore, it is important that each employee and every Insider to the company exercise good judgment in the performance of his or her duties and responsibilities. When those situations occur where the proper course of action is unclear, employees must request advice and counsel from their department heads or the Head of HR/ People Operations at Ripple Labs, who can be contacted via email at hr@ripple.com. Contractors in need of advice regarding ethical questions should consult with an officer of Ripple Labs, and other Insiders should consult with the Board.

1. Treating Others with Dignity and Respect

The following provision applies to all Ripple Labs Insiders:

Respecting others, appreciating diverse points of view and making decisions based on merit are predicated on our core values. We are committed to providing a professional work environment that promotes equal opportunity, dignity and respect. Our policy ensures equal employment opportunity without discrimination or harassment on the basis of race, color, religion, age, gender, gender identity, sexual orientation, national origin, citizenship, disability, marital and civil partnership and union status, pregnancy (including unlawful discrimination on the basis of a legally protected pregnancy or maternity leave), veteran status or any other characteristic protected by law.

We expect that all relationships in the workplace will be free of bias, harassment and violence. Ripple Labs strictly prohibits and will not tolerate any form of sexual harassment or job discrimination. Such conduct is unacceptable in the workplace as well as in any work-related setting outside of the workplace.

2. Insider Purchase, Sale and Holdings of XRP

XRP and the Ripple Protocol

XRP is a math-based currency that is native to the Ripple protocol. The inventors of the Ripple protocol created 100 billion XRP at its inception, and gifted 80 billion of the 100 billion XRP to Ripple Labs. No more can ever be created according to the protocol's rules.

Ripple Labs reserves approximately 25 billion XRP to fund its operations, and distributes the balance. Our goal in distributing XRP is to incentivize actions that build trust, utility and liquidity in Ripple.

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Acting Ethically and Transparently

It is imperative that all Ripple Labs employees, contractors, founders, Board members, investors, and advisors act ethically and transparently with respect to purchases, sales, and holdings of XRP, in alignment with the goal of building and maintaining public trust in Ripple.

Purchase, Sale and Disclosure of Holding XRP

The following requirements apply to all Ripple Labs Insiders:

Disclosure of Accounts - Insiders must disclose personal XRP holdings and accounts to Ripple Labs' Risk and Compliance function.

The Risk and Compliance Function will treat information about Insider XRP holdings and accounts with confidentiality. Internal access to this information is restricted to a limited number of compliance, risk and control staff. In addition, this information will normally be maintained in an anonymized form and used for purposes of auditing and monitoring Insider transactions only.

XRP Giveaways - Insiders may not participate in XRP "giveaways" hosted or promoted by the Company.

Purchase and Sale of XRP - Insiders should avoid activity that could impair the integrity or reputation of Ripple or disadvantage other users of the protocol. For this reason:

- Insiders may not buy, sell, recommend or trade XRP, either personally or on behalf of someone else, under circumstances that could appear unfair to the wider Ripple community and non-Insiders generally. This includes situations in which Insiders have access to information about Ripple Labs or the Ripple protocol that has not been publicly announced, and which might reasonably affect the decision to buy or sell XRP.
- The Company may from time to time designate certain time periods as "restricted" periods if in the judgment of executive management, a coming announcement or other event may significantly affect the trading price of XRP. During such restricted periods, Insiders may not buy, sell, trade or recommend XRP. At other times, Insiders are responsible for exercising their judgment as to whether trading XRP is appropriate.
- Insiders may not buy, sell, recommend, or trade XRP valued in excess of \$100,000, either personally or on behalf of someone else, without approval from the Ripple Labs Controller, Compliance Team, and a direct supervisor.

Following are examples of situations in which it would be inappropriate for Insiders to buy, sell, trade, or recommend XRP:

- Prior to public announcements of new bank partnerships
- Prior to public announcements relating to adverse regulatory actions

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- Prior to public announcements regarding other significant partnerships (e.g. financial coalitions)
- Prior to public announcements relating to CEO or founders' XRP movement

Following are examples of situations in which it would be appropriate for Insiders to buy, sell, trade, or recommend XRP:

- Purchasing XRP pursuant to a documented automatic investment program, or a standing order locked in at a specific price
- Small transactions in regular course of business (under \$3,000 or the equivalent in XRP)
- Purchasing (less than \$100,000 worth of XRP per month) due to general confidence in Ripple Labs team members, and confidence in the company itself

Failing to comply with these restrictions may be grounds for disciplinary action, including termination of association with Ripple Labs. Depending on the severity of the breach of fiduciary responsibility, further legal and financial penalties may apply.

3. Compliance with Anti-Money Laundering Laws

The following provision applies to all Ripple Labs Insiders:

Ripple Labs is firmly committed to the prevention of money laundering and terrorist financing activities, and to compliance with applicable anti-money laundering laws, including the Bank Secrecy Act and the USA PATRIOT Act. Money laundering is the process by which individuals attempt to conceal the true origin and ownership of the proceeds of illegal activities. If undertaken successfully, control may be maintained over the proceeds, and ultimately, a cover provided for the source of illegal activities. Violating these laws is strictly prohibited.

Failure to comply with anti-money laundering laws may be grounds for disciplinary action, including termination of association with Ripple Labs and may be a violation of the law. Depending on the severity of the breach of fiduciary responsibility, the company may report such activities to governmental agencies, and further legal and financial penalties may apply.

4. Company Property and Information

The following provision applies to all Ripple Labs Insiders:

Company Property - An employee has a duty to protect and conserve Company property and

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ensure its use for proper purposes.

Company Information - Ripple Labs created and supports the Ripple protocol, an open-source, distributed payments protocol. This work of Ripple Labs includes producing additional open source software products for use by developers and users of the network. While we do strive to be as open as possible, we do maintain certain confidential information.

Knowing what information should be kept confidential and what can be disclosed is a skill that every employee and all other Insiders should master. When in doubt about the confidentiality of particular information, employees and contractors should verify with an officer of Ripple Labs that the information can be shared before doing so; other Insiders should consult with the CEO or a member of the Board.

Employees and other Insiders must strictly preserve the confidentiality of non-public information to which they have access that is designated as confidential, private or proprietary. It can be disclosed only as required for Company purposes and only as authorized.

Use of Non-Public Information for Private Gain - Employees and other Insiders may not use non-public information for any purpose other than Ripple Labs business. An employee or other Insider may not allow the improper use of such non-public information to further his or her own private interest or that of another person, whether through advice, recommendation, or a knowing, unauthorized disclosure.

5. Conflicts of Interest

The term "conflict of interest" describes any circumstances that could cast doubt on an Insider's ability to act with objectivity with regard to Ripple Labs' interest. The following provision applies to all Ripple Labs Insiders, who are expected to avoid actions or involvements that could compromise their ability to act on behalf of Ripple Labs.

Activities that could raise a question of conflict of interest include, but are not limited to the following:

- To conduct business on behalf of Ripple Labs with a member of the Insider's family or a business organization in which the Insider or a member of his or her family has a significant association, which could give rise to a conflict of interest, without first obtaining written approval. Employees and contractors should obtain such approval from an officer of Ripple Labs; other Insiders should obtain approval from the Board.

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- To serve as a director, board member or in an advisory or consultative, technical or managerial capacity for any non-affiliated business organization, government agency or industry group that interacts or does business with Ripple Labs, is a competitor of Ripple Labs, or is a client of Ripple Labs without disclosing that affiliation. Employees and contractors should disclose such affiliations to People Operations; other Insiders should disclose such affiliations to the Board.
- To accept any position outside Ripple Labs which interferes with the proper performance of his or her duties.
- To take advantage of any business opportunity which might be of interest to Ripple Labs.

Disclosure of Investments – Ripple Labs Insiders will disclose all investments in (1) third party companies that make material use of the Ripple protocol, or that interoperate with others that do so, and (2) competitors of Ripple Labs. Employees and contractors should disclose such investments to the People Operations area of Ripple Labs; other Insiders should disclose such investments to the Board. Ripple Labs may at its discretion share disclosures of investments in third party companies with various audiences, including the media, other investors and advisors, or the management of incubator programs with which Ripple Labs is associated.

Gifts, Gratuities and Business Courtesies – Ripple Labs employees should avoid any actions that create a perception that favorable treatment of outside entities by the company was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom Ripple Labs does or may do business. Ripple Labs will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or the company's reputation.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from executive management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or People Operations.

6. Post Employment Activities

The following provision applies to all Ripple Labs employees:

Non-public Information - An employee's duty to maintain the confidentiality of non-public information continues after his or her employment ends. An employee must leave all Company documents, files, computer diskettes, reports and records containing non-public information, and all

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copies of such information, with the Company when his or her employment ends.

Solicitation of Employees - Upon leaving Ripple Labs, former employees shall not seek to solicit employees of Ripple Labs nor take any action to persuade employees to terminate their employment with Ripple Labs for a period of twelve months.

7. Reporting and Required Absences

The following provision applies to all Ripple Labs employees:

Reporting Violations of Law and Policy – Employees are encouraged to report violations of the law or Company policy. Violations should be reported to either:

- o the Chief Executive Officer, Christian Larsen,
- o the Chief Compliance Officer, Karen Gifford, or
- o anonymously via Ripple Labs' Navex Global reporting hotline.

All reports will be treated confidentially to the maximum extent consistent with the fair and rigorous enforcement of these standards. When Ripple Labs investigates any report of a violation of the Code of Conduct and every employee must fully cooperate with the investigation, consistent with the employee's rights under the law. Ripple Labs will not permit retaliation against any employee for reporting potential violations.

Reporting a Violation Anonymously - Navex Global is a firm that supports company Compliance programs by offering a wide variety of services, including hotline reporting. Employees may report a violation anonymously to Navex Global via telephone or a link on the Ripple Labs intranet

Required Absences from Sensitive Positions - A basic principle of internal control for an organization operating in the area of financial services is to ensure that employees in sensitive positions be absent from their duties for a minimum of two consecutive weeks. Examples of employees holding sensitive positions include those with authority to execute transactions, those with signing authority or who have reconciliation responsibilities. The requirement that such employees take sustained absences from their duties supports a strong internal control environment, because most financial frauds, embezzlements or similar kinds of wrongdoing require the continued presence of the wrongdoer in order to be carried out effectively.

People Operations, in coordination with Risk and Compliance, will designate those employees who hold sensitive positions. Employees designated as holding sensitive positions must be absent from their duties for a minimum of two consecutive weeks per year, and that absence must include denial of

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access to Ripple Labs' electronic systems and records.

Any exceptions to this requirement that may be necessary from time to time will be approved jointly by People Operations and Risk and Compliance and will be documented by People Operations.

8. Employee Privacy

Ripple Labs does not share employees' or other Insiders' personal information with companies, organizations or individuals outside the company without advance permission unless one of the following circumstances applies:

- We believe that is reasonably necessary to comply with a law, regulation or legal request
- To protect the safety of any person
- To address fraud, security or technical issues
- To protect Ripple Labs' rights or property

However, nothing in this Policy is intended to limit any legal defenses or objections that you may have to a third party's, including a government's, request to disclose your information.

Ripple Labs' policy is, when possible, to notify employees of requests for their account information, which includes a copy of the request, prior to disclosure, unless we are prohibited from doing so (e.g., an order under 18 U.S.C. § 2705(b)). Exceptions to prior notice may include exigent or counterproductive circumstances (e.g., emergencies; account compromises).

Acknowledgement Form

I acknowledge receipt of the Ripple Labs, Inc. Code of Conduct (the "Code"). I further acknowledge that I have read and agree to abide by the terms of the Code.

Signature

Name

Date

Below are resolutions approving a Code of Business Conduct for the Company. If you approve of these resolutions, **please reply all with a statement of “I APPROVE” and your name.** This electronic consent will be filed with the minutes of proceedings of the Board.

**ACTION BY UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS OF
RIPPLE LABS, INC.**

The Board of Directors (the “Board”) of Ripple Labs, Inc., a Delaware corporation (the “Company”), pursuant to Section 141(f) of the Delaware General Corporation Law and the Company’s Bylaws, hereby adopt the following resolutions by electronic consent without a meeting.

Approval of Code of Business Conduct.

WHEREAS, the Board has reviewed the Company’s corporate governance practices and procedures; and

WHEREAS, the Board deems it to be in the best interests of the Company to adopt certain policies as defined in a Code of Business Conduct.

NOW, THEREFORE, BE IT RESOLVED, that the Code of Business Conduct attached as Exhibit A is adopted and approved.

RESOLVED FURTHER, the officers of the Company are authorized take all further actions as necessary or advisable to carry out these resolutions.

Exhibit A

Code of Business Conduct